



State of Utah

GARY R. HERBERT
Governor

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Lieutenant Governor

Utah Department of Health

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Executive Director

Division of Medicaid and Health Financing

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Deputy Director, Utah Department of Health
Director, Division of Medicaid and Health Financing

Bureau of Financial Services

ERIC GRANT
Director, Bureau of Financial Services

June 25, 2019

Dear Administrator *and* FCP Preparer:

It is that time of year to prepare and submit your Facility Cost Profile (FCP). The FCP for the fiscal year ending June 30, 2019 **must arrive** in our offices on or before **Tuesday, September 3, 2019, by 6:00 p.m.**

USE THE FORMS FOR FISCAL YEAR 2019.

The comment box on Schedule D at Row 8 is enlarged and will wrap text! Please use it to explain daily rates that are above or below expected ranges – the cell will turn orange if that happens – or for differences between “FCP Patient Days” and “Patient Day Assessment Days”.

Reminders:

- All Utah Medicaid revenue must be reported in 4 accounts at the top of Schedule B, one of which is divided into 2 subaccounts. Please refer to the NF FCP Instructions on the website and the FCP form for details.
- Adjustments on Schedule C to related party expenses must be reported in a separate column from other provider adjustments to expenses. Related party expenses also still need to be reported on Schedule C-2, Section C, and all provider adjustments need to be reported on Schedule C-1.

The FCP instructions and forms for fiscal year 2019 can be downloaded at the following web address:

<https://health.utah.gov/stplan/longtermcarenffcp.htm>

PLEASE NOTE THE FOLLOWING:



Bureau of Financial Services
288 North 1460 West · Salt Lake City, UT
Mailing Address: P.O. Box 143104 · Salt Lake City, UT 84114-3104
Telephone (801) 538-6145 · Facsimile (801) 538-6478 · www.health.utah.gov

Failure to submit the FCP on time will result in the withholding of Medicaid payments from your facility. The Utah State Plan Attachment 4.19-D, Section 332 states (emphasis added):

“The FCP is due two months after the end of the reporting period.... The provider may request a 15-day extension for extenuating circumstances. The request must be made in writing prior to the due date. The State may grant a 15-day extension **only when justified**. **Failure to file timely FCPs can result in the withholding of payments** as described in Section 720.”

If your facility needs to request a deadline extension, please submit your written request via e-mail to my e-mail address.

FURTHER ITEMS:

If “MISCELLANEOUS INCOME” revenue category 12 “OTHER” or “MISCELLANEOUS” expenses in any cost category exceed the limits stated on the form, you must provide a separate detail schedule of those revenues and/or expenses. This can be an Excel spreadsheet inserted amongst the FCP forms or a schedule sent separately.

It is imperative that you disclose all related companies and employees. Schedule C-2 has been altered to allow easier entry of related party information.

CMS Pub 15-1, Section 902.5 defines who is considered a related employee:

“...the following persons are considered ‘immediate relatives’: (1) husband and wife; (2) natural parent, child and sibling; (3) adopted child and adoptive parent; (4) stepparent, stepchild, stepbrother, and stepsister; (5) father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, and sister-in-law; (6) grandparent and grandchild.”

In addition, the *Code of Federal Regulations (CFR)* states the following:

42 CFR 455.101 Definitions:

“Person with an ownership or control interest means a person or corporation that--

- (a) Has an ownership interest totaling 5 percent or more in a disclosing entity;
- (b) Has an indirect ownership interest equal to 5 percent or more in a disclosing entity;
- (c) Has a combination of direct and indirect ownership interests equal to 5 percent or more in a disclosing entity;

- (d) Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity;
- (e) Is an officer or director of a disclosing entity that is organized as a corporation; or
- (f) Is a partner in a disclosing entity that is organized as a partnership."

42 CFR 455.104(d):

"Denial of Federal financial participation (FFP). FFP is not available in payments made to a provider or fiscal agent that fails to disclose ownership or control information as required by this section."

Note that rent paid by a provider to a related party lessor is not an allowable cost. Please refer to page 14 of the NH FCP Instructions (available on the website) for further details.

If you have any questions about related parties, or if you have general questions about the FCP forms, please contact me at dmeadows@utah.gov or (801) 538-6790.

Please e-mail your completed electronic forms to dmeadows@utah.gov. Also, send one, and only one, **signed original** of the forms and supporting documents to:

(Via FedEx or UPS)

David Meadows
Utah Department of Health
Division of Medicaid and Health Financing
Bureau of Financial Services
288 North 1460 West
Salt Lake City, UT 84116

(Via U.S. Post Office)

David Meadows
Utah Department of Health
Division of Medicaid and Health Financing
Bureau of Financial Services
PO Box 143104
Salt Lake City, UT 84114-3104

Sincerely,



David Meadows
Medicaid Auditor

cc: Jamie Sorenson, Aaron Eliason, Eric Grant, Ed Deinert, Steven Jones, John Curless



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